

Controller's Report.

STATE OF NEW-YORK, CONTROLLER'S OFFICE, ALBANY, Jan. 3, 1865.

TO THE LEGISLATURE: In obedience to the statute which requires the Controller to superintend and manage the fiscal concerns of the State, to exhibit the same to the Legislature, and to suggest plans for the improvement and management of the public revenue, I have the honor to submit the following

REPORT:

In view of the vast expenses incident to the war, the heavy and increasing load of taxation, and the uncertainty as to the future, earnest appeals have been made in my former reports in favor of prudence and economy in the management of financial affairs. But these appeals have produced very little effect. Never before have such lavish appropriations by the Legislature and such extravagant expenditures in private life been known, during the continuance of this devastating and exhausting struggle for national life. While the people have paid untold taxes, the State has paid little out of its treasury, the State has loaned from its own funds over four hundred millions of dollars on account of the war, and was sounding over three hundred thousand soldiers to the field, her unmetaken to organize, arm and uniform a large army of militia at home.

The following is a brief statement of the principal payments made on account of the war, or directly occasioned by it, since its commencement:

Under the Act of April 16, 1861.	\$3,668,063
Bounties, 1862 to 1864 inclusive.	9,676,961
Arms and equipments of State troops.	58,197
Militia, Naval Guard.	383,924
Soldiers and mounted soldiers.	187,364
Army and Frontier defense.	57,972
Baron of military statistics.	21,403
Claims of State troops.	183,134
Adjutant-General's Office, Master Roll Department.	6,282
Veterans' Military, chapter 142, Laws of 1862.	84,000
Account of United States, direct tax.	400,000
Total.	\$14,858,083

It is quite safe to say that although the immense appropriations have undoubtedly been made from patriotic motives, yet they have, in some instances, been so unwisely made that nearly one-half of the amount has been practically wasted. This is especially true of the sums paid for bounties after 1862. It was the offering of large local bounties which secured the volunteers; the amount paid by the State to each man being so small as to be of little or no use, although in the aggregate it amounted to a very large sum.

But whilst these expenditures may be excused on account of the circumstances which prompted them, what palpable waste they can be for the taxes levied upon the whole people in a time like this to construct works of improvement purely local in their character, and of no benefit to a majority of the people who are compelled to pay for them? If such legislation is to be passed in, it will be in vain to make any suggestions for the improvement of our finances until extravagances shall have been arrested by rule. A heavily depreciated currency affects us more than the sum total of all others by unscrupulous and unscrupulous immensely.

The report of the Superintendent of the Oneonta Spring Schools presents a picture of distress during the last year, but it was done for the sake of saving the present cost of the school. The expenses were \$74,000, and the Superintendent suggests the importance of an increased appropriation for the ensuing year. Such an increase, if made, should, in my opinion, be accompanied by an increase of duties.

COUNTY TREASURERS.

The law authorizing interest to be charged upon sums retained by County Treasurers has a very beneficial effect. Payments have been made with unusual promptness. The only counties in error to any considerable amount on the 24th day of December, 1864, were as follows:

Montgomery County.	\$1,854.93
New York County.	501,019.37
Rensselaer County.	73,602.82
Herkimer County.	13,836.61

STATE PRISONS.

The high prices of all articles of consumption have increased the heavy expense of the prisons. The appropriation for their support became exhausted before the close of the fiscal year, and a considerable deficiency must be provided for. It is not probable that the appropriations for the current year will be sufficient.

SALARIES AND WAGES, ETC.

No class of the community suffers so severely from the pressure of the currency as those who depend upon fixed salaries. They receive less than one-half in value for each dollar. The irregularities in public expenditure arising from this cause, as well as from the large unappropriated appropriations made by the Legislature, render it difficult to estimate with much precision the receipts and expenditures for any coming year.

In the report from this office, submitted to the Legislature in January, 1864, the receipts on account of the General Fund Revenue, for the current year, were estimated at \$6,684,800. The expenses for the same year, including deficiency,

Estimated surplus on the 30th Sept., 1864—\$167,114.02

The actual receipts from all sources were, \$7,729,336.66

The actual payments, including deficiency, from the previous year, were—

Estimated deficiency September 30, 1864. \$834,814.67

The receipts on account of the General Fund Revenue for the present fiscal year, ending September 30, 1865, were—

Estimated payments for same year, including deficiency. 9,314,711.15

Estimated surplus September 30, 1865. \$699,113.57

The large falling off in the estimated receipts for the year arose from the delay in collecting and forwarding to the Treasury the tax due from the City of New York. It has been nearly received since the close of the fiscal year.

THE STATE DEBT.

The entire debt of the State, at the close of the fiscal year, was as follows:

Canal Debt. \$2,441,770.23

General Fund Debt. 6,278,351.37

Total. \$8,720,721.60

The policy of paying the principal of the debt as fast as it becomes due, continues to be pursued. Within the last four years it has been reduced to the extent of \$1,882,451.

The following statement from the Canal Department shows the regular payments on account of the canal since the fiscal year:

Receipts during the year:

From tolls collected on all the canals. \$4,308,781.20

Cost of surplus waters. 1,511.92

Interest on current canal revenues. 30,002.19

Miscellaneous receipts. 5,979.31

Total. \$4,346,265.62

Payments during the year:

To Canoe Commissioners, for repairs. \$166,069.98

For construction, etc., repairs. 282,368.41

To State Auditor, for repairs. 334,115.71

To collectors, for salaries, etc., pay of inspectors and expenses of collectors offices. 59,330.29

To weigh masters. 9,256.88

For salaries chargeable to an army and revenue, reducing tolls, printing, and other miscellaneous payments. 61,938.19

Total. \$4,346,265.62

"Surplus revenues":—

Payments to the Sinking Funds, etc.:—

Under section 1, article 7, of the Constitution. \$1,760,000.00

Under section 2, article 7, of the Constitution. 356,000.00

Under section 3, article 7, of the Constitution. 1,116,342.66

Payments for the construction of roads, to defray the expenses of Government. 151,113.40

On the high of Sept., 1863, \$1,192,787.77

Amount of warrants drawn on the Treasury on account of the General Fund during the year ending Sept. 30, 1864. 7,417,161.94

Amount transferred to sundry funds for loans on account in the Treasury, during the year ending Sept. 30, 1864, belonging to said funds. 33,502.61

Amount of warrants drawn on the Treasury remaining unpaid on the 30th September, 1863. 668.91

Amount of receipts into the Treasury during the year ending Sept. 30, 1864. 87,785,063.51

Transferred from the School Fund, for bonds for loans. 1,840.00

Amount of warrants drawn on the Treasury remaining unpaid on the 30th September, 1864. 518.05

Deficiency of the Revenue on the 30th September, 1864. \$63,814.67

DEFICIENCY OF THE REVENUE.

On the high of Sept., 1863, \$1,192,787.77

Amount of warrants drawn on the Treasury on account of the General Fund during the year ending Sept. 30, 1864. \$1,270,093.17

Amount overdrawn on the 30th September, 1864. 885,003.77

STATEMENT OF BALANCES of the funds held by the State to the Treasury remaining unpaid on the 30th September, 1864. \$63,814.67

From the General Fund Revenue. 209,301.53

To the School Fund, viz:

Capital. \$26,312.59

Revenue. 26,805.50

To the Literature Fund, viz:—

1,169.76

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Revenue. 19,455.13

To the United States Deposit Fund, viz:

Capital. 158,494.12

Revenue. 697.10

Total. 158,191.22

To the Mariners' Fund, viz:

Capital. 164.81

Under protest. 1,169.76

To the Toms River R. Co. Sinking Fund. 29,074.51

To the Long Island R. Co. Sinking Fund. 4,298.41

To the Tioga Coal, &c. Co. Sinking Fund. 7.60

To the Soldiers' Allotment Fund. 4,298.41

To the College Land Fund. 64,724.00

To the Treasurer, for amount overdrawn. 83,003.77

Total. \$1,073,516.22

ACTION DUTIES.

The receipts from action duties continue to increase.

They have nearly doubled in amount since the appointment of the present efficient agent. For the year ending Sept. 30, 1864, they reached the sum of \$184,426.86.

SALT DUTIES.

The report of the Superintendent of the Oneonta Spring Schools presents a picture of distress during the last year, but it was done for the sake of saving the present cost of the school.

The Legislature, however, suggests the importance of an increased appropriation for the ensuing year.

Such an increase, if made, should, in my opinion, be accompanied by an increase of duties.

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No class of the community suffers so severely from the pressure of the currency as those who depend upon fixed salaries. They receive less than one-half in value for each dollar.

The irregularities in public expenditure arising from this cause, as well as from the large unappropriated appropriations made by the Legislature, render it difficult to estimate with much precision the receipts and expenditures for any coming year.

SAFETY-PINNACLE, ETC.

No class of the community suffers so severely from the pressure of the currency as those who depend upon fixed salaries. They receive less than one-half in value for each dollar.

The question is, whether the amount of the reduction of the salary of the State employees should be so great as to be of service to the State.

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